

A Promotional Video:
“Cattlemen’s Livestock Market”

A Senior Project
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Abstract

The Cattlemen's Livestock Market video was created as a promotional tool for Cattlemen's Livestock Market. The film describes the different aspects within CLM and the experience a customer has when attending a sale. The goal of this project is to promote Cattlemen's Livestock Market as a whole, including their new video sales system.

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Chapter One

Introduction

In order for cattle auction yards to meet customer needs, new advancements must constantly be made within the business. As the use of technology continues to increase in the agricultural sector, auction yards are modernizing. For an auction yard to attract additional customers, they must use the technology available to enhance their markets, attract new customers and remain competitive.

Statement of the Problem

In an attempt remain competitive, increase a customer base and enhance their market, livestock sales yards need to implement new technology into their business plans. The most effective way of doing this is adding a video market for customers. While select markets already have special video sale systems, the opportunity of a weekly or biweekly video sale at a local yard, such as Cattlemen's Livestock Market, in Galt, California, is one that cannot be missed. However, the adoption of new technology in an already grounded market can create conflicts. The technology being introduced must be appropriate and relevant to consumers and producers alike so sales and markets are not impeded.

Importance of the Project

The importance of the project is to introduce a new segment into Cattlemen's Livestock Market's (CLM) business plan. A video sales market at an individual livestock yard, such as CLM, could increase the number of consignors and buyers. The video will also retain customers at the sales yard rather than having them take their larger lots to more wide-reaching markets, such as the Western Video Market. Customer retention and growth are key elements to maintaining a healthy, competitive auction yard and this video sale would increase both elements.

Purpose of the Project

The purpose of this project is to create and implement an in-house video sales market for Cattlemen's Livestock Market that can be used, as necessary, by the yard.

Objective of the Project

The objectives of this project are to create a video sales market by:

- Determining the necessary technical advancements needed to be implemented at CLM for the video sale to occur.
- Advertising the new sale element to current and future customers at CLM.
- Initiating proper legal paperwork for the video sales to occur.
- Gathering a healthy number of consignors to partake in the first running of the video sale.
- Implementing the video sale into the weekly sale at CLM.

Definition of Important Terms

- **Age and Source Verified-** A USDA approved program that verifies the age and source of cattle
- **Catalog-** Written descriptions of pen lots being sold that include information such as age, breeding, weight, and vaccination records.
- **Consignor-** A person or company that consigns cattle.
- **Livestock auction market-** A place of business to which the public may consign livestock for sale by auction open to public bidding or sold on a commission basis.
- **Lot-** A particular group or set of cattle being bought or sold.
- **Pen lot-** Group of cattle, generally of the same weight and age, available for sale
- **Video sale** – A segment of the cattle market in which consignors film their product and then submit the video to a sale. The video is then viewed by an audience who bid on the product accordingly.

Summary

In a growing and competitive marketplace, it is important for auction yards to stay successful. A key element to this success is implementing new ideas and plans enabling the market to flourish. By implementing an in-house video sales market, Cattlemen's Livestock Market will be able to gain and retain consignors and buyers and will also be able to stay competitive. While video markets are often used on a larger scale, a unique, in-house video market would set CLM apart from its competition and would ensure success in the future.

Chapter Two

Review of Literature

Livestock markets are thriving throughout the United States and the California cattle market is no exception. As technology continues to increase and become more prevalent in the livestock industry, auction yards must continue to use this technology in order to accommodate customers and remain competitive. The purpose of this project is to develop an in-house video marketing system for Cattlemen's Livestock Market in Galt, California. This chapter will review and define important terms and ideas for the project.

Cattlemen's Livestock Market

Cattlemen's Livestock Market (CLM) is a full service livestock auction yard and trading business. On average, CLM sells approximately 100,000 head through the auction ring in Galt, California and another 10,000 head in outside direct sales and consignments to outside video auctions (Jake Parnell, personal communication, June 12, 2014). Cattlemen's Livestock Market has been open for over 40 years and provides California, Nevada, and Oregon cattlemen with the central most livestock market in California. In addition, CLM is northern California's only Wednesday auction market and draws a large number of buyers from throughout the United States (Cattlemen's Livestock Market). With a consistent market and a large number of buyers and consigners, CLM has made a respectable name for itself as a premier marketing facility (Jake Parnell, personal communication, June 12, 2014).

Cattle Video Sales

There are two key components in selling cattle through a video market. These two areas are “the video or visual component and the sales catalog or written component” (Gillespie, J., Basarir, A., & Schupp, A, 2004). In order for cattle to be effectively marketed and sold, both of these areas must be spot on.

Visual Component

If a consignor wishes to sell his cattle through a video auction, he must provide footage of the cattle. This can be done either by himself or by a contracted videographer who will film the animals in a natural setting. Film length may vary between each video market but Cattlemen’s Livestock Market will edit all footage down to two minutes in length.

On the day of the sale, “an auctioneer solicits bids from buyers as the videotapes are played” in sequence according to their lot number (Kettle, R. et. al). Buyers may participate in the bidding process either in person or through an online bidding channel. The online channel allows buyers to see the footage being shown at the sale at all times. Buyers must register with CLM before purchasing an animal or lot. This allows for the identity of the buyer to remain anonymous during the process.

Written Component

While submitting their consignments for a video sale, the consignor must fill out and submit a contract. The contract includes various information about the consignor and the animals being sold. Without submitting a contract, consignors are not able to participate in the video sale.

Information included in the contract is collected in order to create a sale catalog for each lot. This information includes base weight, color, breed description, origin, frame size, and a list of vaccinations and injections that the cattle have received (Jake Parnell, personal communication, June 12, 2014). If the animals are Age and Source Verified, this information can be recorded but must be accompanied by a form of certification. The Age and Source Verification program is run through the United States Department of Agriculture (USDA) and verifies the ranch of origin the cattle came from as well as the group age information (LPS Process Verified Program).

Once a catalog has been created for the entire video sale, it is distributed to potential buyers. For an in-house market system, the catalog is available upon entrance into the livestock facilities and will also be posted online. These catalogs will present the order of the lots being sold as well as the information provided about each specific lot.

Benefits of Video Sales

While video sales do not account for a large portion of all cattle sales across the United States, they hold a number of valuable assets. It is said “the structure of the cattle and meat industries developed to minimize total transportation costs,” (Blank S, Boriss H, Forero L, Nader G., 2006) which is a direct component of video sales. Transportation costs on the end of the buyer are eliminated by the creation of the film, therefore appealing to the consignor. Studies show “net prices received by sellers and paid by buyers in the video auction [exceed] reported regional market prices for the week following each video sale” primarily because “trucking costs and shrink are reduced” (Peterson, Brorsen, Bailey, 1991). Because the cattle are not on site, consignors have the ability to set a bottom line on the price of their lot and “farmers [enjoy]

some price protection since calves [are] still on the farm” (“Marketing Beef Cattle via Satellite, Video Auction Proves Successful in Areas Distant from Markets, 1993). The number of potential buyers able to see the animals is also increased due to video markets, increasing the competitive bids at the market.

Satellite Sale Technology and Installation

In order to have a video sale market at an auction facility, there are some necessary tools to be installed. This would include changes made to websites, installation of television screens, and the proper computer and screen networking capabilities.

An online segment of the facility’s website would need to include a virtual contract application that could be submitted by consignors. This segment should also be designed to allow potential consignors to submit their recorded videos online to allow for ease of delivery for both consignors and the auction facilities.

Television screens would need to be installed in a secure location inside the auction ring. A single screen would either need to be large enough for customers to see from any location within the auction room or there would need to be various smaller screens installed throughout. These screens will be directly connected to the computer network within the office and videos files saved on this network would be able to be played directly on the screens inside the ring.

Conclusion

With the use of technology becoming more prominent within the livestock industry, auction yards must keep up with these trends. By implementing an in-house video marketing system at Cattlemen’s Livestock Market, the auction yard will draw in a large number of buyers,

continue along industry trends, and offer a new segment of industry for its current and future consumers.

Chapter Three

Creating a video market sales system was a multistep process completed over the span of approximately one year. There were four main steps followed throughout the process: meeting with CLM staff, research, filming, and video compilation. Each step played a unique role in the completion of the video and was vital to the process.

Meeting with CLM Staff

The first step in both the video sales system, and the video creation, is meeting with CLM staff. Jake Parnell, manager at CLM, was able to convey exactly what he was hoping to gain from both aspects and what he wanted to see as a final product. Frank Loretz, owner of CLM, verified all information and gave the final approval for all projects to be completed.

Cattlemen's Livestock Market

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Figure 1: Aerial view of Cattlemen's Livestock Market facilities

Research

Prior to completing the project, research was needed to ensure proper measures were being taken. Megan Silcott, director of the Brock Center for Agricultural Communications, provided insight on a variety of aspects including filming and video production. A basic story line should be created for the actual video so the different clips can be gathered and recorded. The story line should be logical while also featuring all aspects of the facilities, both old and new. Understanding the facility, how customers arrive, the check-in process, the flow of cattle and the pace of a sale proved helpful in obtaining quality video representation. The author spent two days of work learning this layout that benefitted the video production. After understanding how video sales systems work, and the best way to produce a promotional video for such a system, the video could be filmed.

Video Filming

The actual video footage was shot over the course of a week at the beginning of April. This allowed for travel time to CLM and ensured the yard would be full of cattle. Multiple days of filming occurred when there was no sale at the yard to allow for the facilities to be fully captured. Additional footage was shot on a sale day, which focused primarily on the sale and interactions between customers and consignors. Lighting and motion are two components the author made careful consideration for the best video capturing. As a novice videographer, the iMovie program used and camera stabilization provided enough grace to capture quality footage. Equipment for filming and processing can be utilized at the Brock Center or Media Resource Center at Cal Poly. The author used a 32 GB memory card with a Canon DSLR 60D camera,

tripod and iMovie to create this project. The videos were downloading in multiple locations and cloud servers to be sure the content could be retrieved as needed by the author.



Figure 2: Canon DSLR 60D

Video Compilation

After filming, all video footage must be reviewed, edited and compiled. After downloading all footage on to a laptop, every clip should be reviewed and separated based on its use and quality. The story line created prior to filming can be shot in any order as long as the clips needed are secured. The story line laid out in the beginning planning stages should be logical while also featuring all aspects of the facilities, both old and new. After reviewing the videos and discarding those without purpose, all usable footage should be imported to iMovie. Enhancements and editing features found in iMovie will ensure the video editing is simple and clean, while remaining user friendly. After the video has been edited to the user's liking, it should be exported to a compatible file type.



Figure 3: Screenshot from iMovie production

Once exported, the video can be shared for viewing. The CLM manager and owner should be consulted prior to the video being shared publically. Once approved, the video can be posted on all media such as Facebook, embedded into websites and shared in e-newsletters.

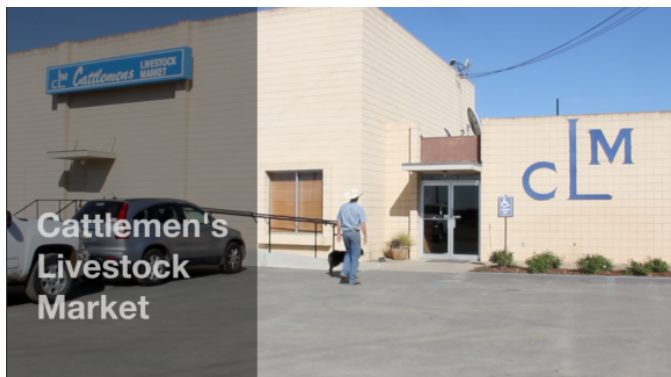
Chapter Four

The following includes a promotional video for the Cattlemen's Livestock Market. The author has included specific images from the video, the script used in each segment, and a link to the video on YouTube.

The promotional video, "Cattlemen's Livestock Market," was created using iMovie and is approximately two minutes in length. The purpose of the video is to publicize the new in-house video market that CLM has implemented for its customers use and to promote the auction yard as a whole.

The following is a link to the video on YouTube:

<https://www.youtube.com/watch?v=3MqZCxocExQ>



"Cattlemen's Livestock Market in Galt is California's central most livestock market."



“Upon entering CLM, customers are issued a buyer number by CLM staff and are directed to the sale arena.”



“With sales held every Wednesday, CLM currently sells an average of 100,000 cattle per year.”



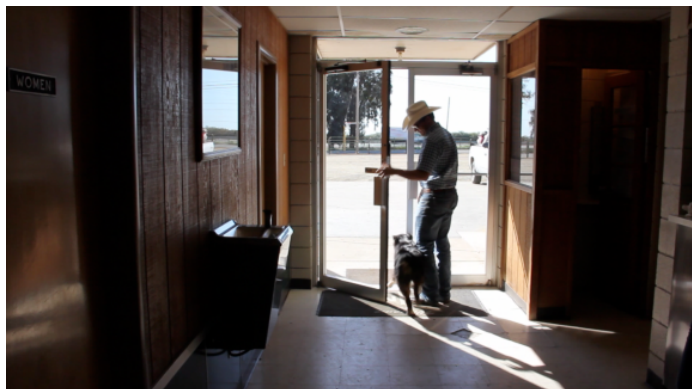
“Customers can preview cattle by accessing the catwalk that runs above the pens at the sales yard.”



“Old monitoring and sales equipment have been enhanced by digital upgrades that are capable of playing video sales.”



“CLM staff assist customers in shipping and ordering cattle once all purchases have been made.”



“See you at the next sale.”

Chapter Five

The following includes a reflection of the work for creating a promotional video for the Cattlemen's Livestock Market. The author proposes the recommendations below for future video creation after experiencing the challenges and successes of video production first hand.

Conclusions

The creation of a video sales system at Cattlemen's Livestock Market will offer a number of advantages to CLM. The primary advantage to having a video sales market is the increase in both consumers and consignors. Consignors that prefer to sell their animals via video will now have the chance to sell in a more central location in California, exposing their cattle to an even large bidding audience. Similarly, consumers will have the opportunity to view video cattle at CLM directly rather than having to travel to video sales that are not located on site.

A second advantage to the video system at CLM will be the decrease in cost. Shipping and feed costs will be cut significantly for consignors, providing them with an incentive to use a video system rather than a traditional market.

In addition to the positive aspects of the video sales system, there are a few negative aspects as well. When using the video sales system, the cost for both buyers and consigners is decreased. This could result in a negative aspect for CLM, due to a lack of profit from feed sales for consignors that choose to keep their cattle at the yard in the days before and after the sale.

Despite the few disadvantages, as seen in this project's result, the promotional video showcasing the use of CLMs video sales system is ready to be utilized. The author completed the objectives of this project and effectively shows how the video sales system works. Because of

the video's file format, CLM will be able to share and publish it in a variety of areas, including their Facebook page and general website. The upgrade of this system will now be promoted through this project's video to continue increasing sales and use of CLM as a business of marketing and selling cattle.

Recommendations

When installing the video system, it would have been helpful to see, in person, the systems used by other sales teams. While the direction of CLM's staff and other industry personnel was helpful, an actual visit to a sale, such as Western Video Market, would have put things into industry standard context.

Once the sales system takes off, profit margins, for both CLM and consumers/consignors should be monitored. The new system will allow for a larger market and an increase in profitability but the direct effects are, at this point, unknown.

The installation of the video sales system will ultimately have a number of benefits to Cattlemen's Livestock Market and can be greatly utilized in the future.

As for the video production, having an assistant to help gather the video and help obtain different camera angles would be beneficial. An assistant might also help video interviews in person while the interviewer can stand away from the camera making the interview more casual. Filming on different days with a variety of cattle and people is recommended to get more footage than necessary. This could provide more b-roll options when compiling the video.

Future video creators should invest time in video tutorials of the program of choice to make the compilation more efficient. Time should be dedicated to practicing with the editing program to ensure that tools and techniques are being used correctly. Watching and learning

more about the program as well as testing it can increase the creator's ability to finish a quality video.

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